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# USSR Report

INTERNATIONAL ECONOMIC RELATIONS



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4 February 1985

## USSR REPORT INTERNATIONAL ECONOMIC RELATIONS

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USSR-CEMA TRADE

INOZEMTSEV CALLS FOR FURTHER CEMA PLANNING INTEGRATION

Moscow PLANOVYE KHOZYAYSTVO in Russian No 10, Oct 84 pp 3-8

[Article by N. Inozemtsev, deputy chairman of the USSR Gosplan: "Coordination of the National Economic Plans of CEMA Member Countries: New Problems and Tasks"]

[Text] To the high-level Economic Conference of CEMA member countries, which took place in Moscow in June of this year, belongs a special place in the history of the economic cooperation of the countries of the socialist community. The conference demonstrated the unity and cohesion of CEMA member countries and their striving not only to strengthen and intensify the course taken for the development of socialist economic integration, but also their desire to work out a common strategy for the economic development of fraternal countries with consideration given to the new external and internal conditions. As K.U. Chernenko, general secretary of the CPSU Central Committee and chairman of the USSR Supreme Soviet Presidium, noted, "the unity of evaluations and views has again been affirmed in the basic and most important matters, and the collective will has been expressed to continue to strengthen the unity and cohesion of fraternal parties and states."\*

The Economic Conference took a big step forward in coordinating economic policy, and it adopted some very important documents that determine the main tasks of the planning, operational and other organs of the countries as well as CEMA organs in the area of long-term economic cooperation.

At the present time in all CEMA member countries, work is under way to establish the main directions for social and economic development during the years 1986-1990 and through 1995. As was noted at the conference, the main task will be to accelerate the transition of the economic system of our countries to the path of intensive development. This will require carrying out a profound reconstruction and technical reequipping of the created production potential and ensuring on the basis of extensive use of the achievements of science and technology a sharp increase in the productivity of social labor, the saving of labor and material resources in all areas of economic activity, and the accelerated transition to the resource-saving path of development of our economies. "The new five-year plan," pointed out Comrade K.U. Chernenko, "must above all

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\* PRAVDA, 15 June 1984.

be the beginning of profound qualitative changes in production, and it must be a five-year plan marking a decisive turning point in regard to intensification of all sectors of our national economy."\*

The USSR and the other CEMA countries are solving these complicated problems jointly, and their comprehensive economic interaction and cooperation has become a powerful factor in the economic and social development of the countries of the socialist community, in which the important economic problems in the formation of the national economic complex of fraternal countries are being solved on a collective basis, and provision is being made for strengthening the strategic positions of socialism in the world as well as our economic independence.

Considerable success has been achieved in this area. In the 1970's, the economic growth rates of the CEMA countries were twice those of the developed capitalist countries, the national income increased by an average of 66 percent during the decade, and the volume of gross production increased by 84 percent. Reciprocal foreign commodity turnover increased from R33 billion in 1970 to R112 billion in 1979, that is, it more than tripled. Tremendous successes were achieved during these years in increasing the standard of living of the people. It is enough to note that in the last 15 years in the Soviet Union alone, 1.6 billion square meters of housing space were constructed.

Qualitatively important progress in the dynamics of industrial production in the CEMA countries is taking place in the course of the implementation of the current five-year plans. A larger and larger part of the increase in industrial and agricultural output is coming about through the increase above the planning estimates in labor productivity and through improvement in the indicators of the efficiency of public production.

Of fundamental importance for the planning organs of CEMA member countries is the unanimous decision of the conference participants to strengthen and develop the planning bases of economic cooperation. The conference declaration signed by the leaders of the communist and worker parties of the CEMA countries indicates: "The participants in the conference proceed from the fact that the coordination of national economic plans will be concentrated on solving priority tasks and is the main instrument in the coordination of economic policy in areas involving reciprocal cooperation...."\*\*\*

CEMA member countries have accumulated a great deal of experience in coordinating national economic plans. The mechanism for coordinating plans that has been worked out over many years works reliably and makes it possible to solve important national economic tasks. However, the strategy of economic cooperation worked out collectively by the conference and based upon coordinated economic policy needs a better mechanism for coordinating plans. It must be more complex in nature, more profoundly and fully cover the physical production

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\* K.U. Chernenko, "Narod i partiya yediny. Izbrannyye rechi i stat'i" [People and Party United. Selected Speeches and Articles], Moscow, Politizdat, 1984, p 418.

\*\* PRAVDA, 16 June 1984.

of the countries as well as the area of capital investment, and it must be organically linked with the long-range national plans of the countries. Under the new and changed conditions of reproduction related mainly to the increased capital intensiveness of the production of fuel, energy and raw materials as well as to the limitations to the increase in material, labor and financial resources, the coordination of plans is called upon to provide not only for the further extension of the integration and economic interaction of the countries, but also to put into effect more fully the willingness of interested countries to use jointly natural riches and material, manpower, financial and other resources in their national and common interests. Serious emphasis must therefore be put on coordinating structural policy, called upon to provide for the effective compensation of the efforts of the participants in cooperation both in money and in kind as necessary for the further development of cooperation. This will contribute to the profoundly internationalistic resolution of the large economic problems in the development of our socialist community.

The Economic Conference paid much attention to the problems of accelerating scientific-technical progress and it adopted a decision on developing a Complex Program for the scientific-technical development of CEMA member countries covering the period through the end of this century. The conference also determined the priority directions for the development of technology, in which the main efforts of the countries must be concentrated. These directions include electronics, the production of means of automation--including flexible automated systems--nuclear energetics, the creation of new materials and technologies, and biotechnology. Up until now, unfortunately, in coordinating the five-year plans, questions of scientific-technical progress have not been studied in sufficient depth, and therefore questions of cooperation in the area of physical production and scientific-technical cooperation were sometimes solved in almost redundant ways of development that were not organically linked. This is one of the reasons why not enough attention was paid to problems of quality and the technical level of reciprocal deliveries of output.

At the present time in all CEMA countries, work has begun on coordinating national economic plans for the period 1986-1990 and, for particular problems, through 1995 and for a longer period. The main task and, at the same time, the main special feature of this coordination of plans is in the fact that it is essential to begin as early as the coming five-year plan to put into effect the decisions and agreements made by the leaders of the parties and governments of the CEMA member countries at the Economic Conference. And this means that in the work of coordinating plans for 1986-1990, cooperation must be oriented toward actively influencing the intensification of the economic system of the CEMA countries. The new stage in the cooperation is characterized not so much by an increase in its volume as by qualitative changes in the reproductive process and the resolution of such problems common to all of us as the technical reequipping of production, the rational use of the created potential and resources, and the better satisfaction of the needs of the workers for high-quality goods.

Of great significance for the beginning coordination of the plans for 1986-1990 is its initial base. The cooperation of CEMA member countries over the course of many years has made it possible to satisfy the overwhelming part of their



needs for fuel and raw materials, machines and equipment, and consumer goods, thereby ensuring the stability of their development. Our ties have become very large in scale and reflect the close interweaving and the tremendous interdependence of our economies. It is enough to note that the USSR's commodity turnover with the European CEMA countries during this five-year plan amounts to 270 to 280 billion rubles. Despite significant difficulties, the Soviet Union has basically maintained deliveries of the main types of raw materials and fuel to the countries of the community at the very high level of 1980, and it substantially exceeded that level for some types (natural gas, electric power). Thanks to the timely measures taken to increase the extraction and utilization of solid types of fuel in our countries, the development of national programs for saving fuel and energy resources, the coordinated plan for the construction of nuclear power stations and the production of equipment for them, the accelerated construction of the "Soyuz" gas pipeline, and the increase in deliveries of electric power from the USSR to CEMA countries over the now operational 750 kilowatt electric power transmission line, it was possible to do much in the current five-year plan to facilitate the solution of the problem of the fuel and energy balance and to carry out the task of providing energy for the gradual development of the national economy.

The Moscow conference adopted exceptionally important decisions on the energy problems for the coming five-year period 1986-1990. The decisions note the necessity of a more effective combining of the efforts of the countries in resolving the fuel-energy and raw materials problems. In this connection, the main instrument and the main form of cooperation in this area is the coordination of capital investment and agreement on a structural policy that more fully corresponds to the needs and possibilities of each country in particular and of the socialist community as a whole. It is precisely on this basis in the coming five-year period that one should expect the more active participation of CEMA countries in putting into effect the USSR Food Program and the Program for Supplying the Population With High-Quality Industrial Consumer Goods and Services, as well as an increase in deliveries to the Soviet Union of the output of low-energy and special chemicals and--the main thing--machines and equipment with high technical and economic parameters that meet the highest world standards.

A decisive role in the development of processes of integration in CEMA member countries belongs to cooperation and specialization of production in the sectors of machine building. Today, as was noted at the conference, questions of technical progress in machine building are acquiring not only very great economic but also political significance. The center of gravity in economic competition with capitalism is now shifting precisely into machine building sectors. Specialization and cooperation in the production of machines and equipment in the CEMA member countries is the most dynamic source for an increase in the socialist distribution of labor in our countries. The complex work of many years in this area is providing its positive results, especially where specialization and cooperation in production have taken place on a mutually advantageous and economically proven basis, where proposals for reciprocal deliveries of the production in machine building have flowed from the coordination of the plans of interrelated sectors of production and were the result of the rational division of the production programs of the associations and enterprises.

Such work requires the active participation above all of the sector ministries. They must be at the head of the work in the specialization and cooperation of production in the sectors of the manufacturing industry, they must review closely and in depth questions of the technology, design and manufacture of new machines and industrial processes, and they must carefully study possible cooperation and division of labor with minimal expenses for the partners.

The efforts of the sector ministries and scientific-production associations must be concentrated mainly on priority directions in the development of machine building. This includes the creation of new technologies and machines for light and food industry, complex processing and preservation of all sorts of raw materials and food, complexes of modern machines and equipment for the open mining of economic minerals, systems of machines and equipment that reduce the use of manual labor both in industry and in agriculture and construction, means of automating production processes, etc. The decision recently made in our country on the creation of the economic conditions for increasing the motivation of ministries and enterprises for the extensive development of international cooperation in production based upon direct ties opens up new chances for overcoming the technical and industrial backwardness that has developed in some sectors, and it makes it possible to provide for an effective combining of the efforts of scientific research and design organizations, to mobilize all of the creative possibilities of our large numbers of key machine building personnel, and to eliminate decisively all that gives rise to tendencies toward technical stagnation. Clearly, in our agreements on specialization and cooperation in production, it is essential to concentrate our efforts not on the consolidation of the output of items that have already been produced for a number of years but on the creation of new and progressive machines, equipment and instruments and on the acceleration of their production. It is particularly important to do this now, under the new and more complicated conditions of reproduction in our countries, and we must be prepared in the coming five-year period to make some changes in the structure and technical parameters of the reciprocal deliveries of machines and equipment.

In the current five-year plan, almost R70 billion in equipment, machines and instruments are coming into the USSR from CEMA countries. These deliveries from fraternal countries not only contribute to the increase in the production potential of our country and to its renovation and modernization, but they also provide for loading the capacities of machine building in the CEMA countries. Herein is the essence of integration as a factor in accelerating our overall development. The decisions of the Moscow Conference, however, force us to think about eliminating the existing shortcomings in the work on specialization and cooperation in production and on the utilization of the existing reserves in this area. We must declare a resolute struggle against the formation in CEMA countries of redundant ineffective production methods at a low technical level and against the creation of capacities producing machines and equipment that do not reduce but increase the number of work places in our countries, and do not decrease but heighten the demand for raw materials, fuel and energy. To a significantly greater degree, our cooperation must be directed toward producing new technology that provides for the resolution of the greatest social and economic problems.



The joint realization of large-scale cooperative projects in the area of physical production requires a complex and long-term coordination of economic policy as well as of the approach and conditions for the resolution of the problems of supplying the needs of our countries for food, fuel and raw materials, up-to-date equipment, and consumer goods. The conference convincingly showed that these problems have acquired an international character for the entire community of CEMA member countries and that it is possible and necessary to solve them through the joint efforts of interested countries. In the work of coordinating the plans, therefore, it is of primary importance to strengthen the economic effectiveness and mutual advantage of cooperation on the basis of a fuller consideration of the interests of the participating countries and to achieve balance in trade and payments relations. This is a very important precondition for the dynamic increase in the economic ties between our countries. In conforming to this principle, the planning and economic organs of our countries are obliged to begin coordinating the volume, structure and proportions of the reciprocal deliveries of goods for the years 1986 through 1990.

The maintenance of deliveries of oil, petroleum products and other scarce sorts of raw materials to fraternal countries at a high level requires great efforts and large one-time expenditures by the economic system of the Soviet Union. Under these conditions, obviously, the Soviet side has a right to expect their effective compensation. In experiencing a certain shortage of investment capital for developing group "B" sectors, the area of services, and some machine building sectors, we hope, along with other CEMA member countries, to carry out in the coming period a necessary economic maneuver that will permit the USSR, in exchange for deliveries of fuel and raw materials, to receive from CEMA countries increasing amounts of output of equal economic importance, including food, consumer industrial goods, low-tonnage chemical and building materials, and machine building output of a high technical level. The objective preconditions for this do exist. Many fraternal countries have a developed base for the production of high-quality output in machine building as well as consumer goods, and they have longstanding traditions in this area and experienced personnel. The Soviet side is interested in a broader cooperation with organizations of fraternal countries in the reconstruction and modernization of a number of production methods in our country, including in light, food and local industry and in service enterprises.

The state of clearing accounts and payments relations between our countries will have great significance for our cooperation in the coming five-year plan. In coordinating the plans for the years 1986 through 1990, we must be concerned not only with expanding commodity turnover between our countries but we must also ensure the necessary balance in accounts and payments relations for the entire future period. In our opinion, the consistent observance of the principle of balance in our payments relations is an essential and obligatory condition that must be observed by all countries. In noting this circumstance, we must, in the course of coordinating our plans, take into consideration the conference decision to the effect that CEMA member countries consider it their duty to continue, on the existing fair basis, to provide aid to the Socialist Republic of Vietnam, the Republic of Cuba and the Mongolian People's Republic in accelerating the development and raising the efficiency of their national economies.

In working out the basic directions for the future development of the national economy, the USSR Gosplan is proceeding from the directive of the CPSU Central Committee and the Soviet Government to the effect that the intensification of economic interaction, the further drawing together of socialist countries, and economic integration are a very important inherent feature in our advancement along the path of mature socialism and communism.

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CSO: 1825/28

USSR-CEMA TRADE

TIKHONOV MEETS WITH HUNGARY'S LAZAR ON ECONOMIC COOPERATION

Moscow SEL'SKAYA ZHIZN' in Russian 13 Nov 84 pp 1, 3

[Text] CPSU CC Politburo member and Chairman of the USSR Council of Ministers N. A. Tikhonov met with G. Lazar, Hungarian Socialist Workers' Party [HSWP] Politburo member and Hungarian People's Republic [HPR] Council of Ministers chairman, in the Kremlin on 12 November.

N. A. Tikhonov and G. Lazar exchanged information about the fulfillment of the 26th CPSU Congress's and the 12th HSWP Congress's decisions, about work being conducted in the Soviet Union and Hungary for improving management and increasing the national economy's efficiency, and about preparations for the parties' regular congresses--the 27th CPSU Congress and the 13th HSWP Congress--being conducted by the CPSU and HSWP Central Committees.

The steady strengthening of fraternal friendship and all-round cooperation between the USSR and the HPR, which is based on the unshakeable principles of Marxism-Leninism and socialist internationalism, and which serves the Soviet and Hungarian peoples' fundamental interests, was verified with satisfaction during the exchange of opinions on questions of bilateral relations.

The heads of government discussed further widening the economic and scientific-and-technical cooperation between the USSR and the HPR. They devoted special attention to the realization of the agreements achieved during the Hungarian party and government delegation's visit to the USSR in the summer of 1983 and CC CPSU General Secretary, USSR Supreme Soviet Presidium Chairman K. U. Chernenko's meeting with CC HSWP First Secretary J. Kadar in Moscow in June of this year.

The sides emphasized the extreme importance of the CEMA member countries' Economic Summit Conference which occurred in Moscow. Its decisions were directed towards more efficiently utilizing the international socialist division of labor's capabilities and further deepening socialist economic integration. The united opinion was expressed that the realization of the decisions of the Conference and the 39th CEMA session, which took place in October of this year in Havana, opens new, beneficial perspectives for the more rapid development of those countries' national economies and of the whole socialist commonwealth, and has a definite significance for successfully developing the fraternal countries' cooperation and strengthening their unity and cohesion.

Having given a positive evaluation of the state of bilateral economic ties, the sides noted with satisfaction that the constant broadening and deepening of mutual cooperation creates additional possibilities for solving pressing questions which confront the Soviet and Hungarian national economies and assures the greater mutual complementarity of their economic structures.

The work of agreeing on economic and scientific-and-technical cooperation and on coordinating the state plans for 1986-1990 which is being conducted at the present time by both countries' planning and branch organs was approved. The agreement achieved on these questions is a firm foundation for developing the national economic plan for the forthcoming 5-year period in the HPR.

Great attention was devoted to questions of the further deepening of specialization and cooperation among primary-processing industries and the preparation of new bilateral agreements in this area of cooperation.

The appropriate organs on both sides were instructed to jointly work out a long-term program for developing economic and scientific-and-technological cooperation between the USSR and the HPR for the period until the year 2000 in order to establish the necessary reference points for structuring production in mutually-related economic branches and for planning mutual cooperation in the future.

While exchanging opinions on current questions of international politics, the sides emphasized that with the aggravation of the world situation and the growth of the threat of war resulting from the adventurist policy of international imperialism headed by the United States, strengthening the socialist states' economic and defense capabilities and increasing their mutual action's effectiveness in the international arena within the framework of the Warsaw Pact is a firm guarantee of their security. A resolve to make further joint efforts in the interests of halting the arms race which has been unleashed by imperialist circles, to avert nuclear war and to strengthen peace in the whole world was expressed.

N. A. Tikhonov's meeting with G. Lazar took place in a sincere, comradely atmosphere which affirmed a unity of views on the questions discussed as well as the sides' mutual search for a further dynamic development and deepening of the close cooperation between the USSR and the HPR.

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A Soviet-Hungarian protocol on the meeting's results was signed.

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In the name of the Soviet government, a breakfast was given in the Kremlin in the guest's honor. N. A. Tikhonov, CC CPSU Politburo member G. A. Aliyev, first deputy chairman of the USSR Council of Ministers, and other officials attended for the Soviet side.

The breakfast took place in a friendly atmosphere. Comrades N. A. Tikhonov and G. Lazar spoke; their speeches were listened to attentively and greeted with applause.

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In the Hungarian embassy in Moscow, at the direction of the Presidium of the HPR, G. Lazar awarded the Order of the Banner of the Hungarian People's Republic with rubies to A. A. Gromyko, CC CPSU Politburo member, first deputy chairman of the USSR Council of Ministers, USSR minister of foreign affairs, for his great services in the cause of deepening fraternal friendship and cooperation between the Hungarian and Soviet peoples and for his contribution to the cause of peace and socialism.

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G. Lazar left the Soviet Union in the evening.

He was seen off at the airport by N. A. Tikhonov and other officials.

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CSO: 1825/24



## HAVANA CEMA SESSION OPENS

Moscow PRAVDA in Russian 29 Oct 84 p 4

[Report under heading: "Cooperation"; "Together--Toward a Common Goal"]

[Text] The 34th Session of CEMA is opening in Havana, the capital of the Republic of Cuba. The session will address important questions of further deepening cooperation of the fraternal states in the commonwealth, and implementing concrete measures for realizing long-term goals and the basic directions for interaction, collectively worked out at the highest level in Moscow at the CFMA Nations Economic Conference. The participants in the session are exchanging information on the course of implementing plans for developing the national economy; are exchanging plans for the future; and are expressing considerations connected with deepening socialist economic integration as the most important factor of the all-round progress of each of the fraternal nations and the entire commonwealth as a whole.

The period between the 37th and 39th regular CEMA sessions was marked by new achievements of the socialist states. The development of their economies is characterized by noteworthy progress. The growth rate in the national income of the CEMA member nations exceeds that of the EEC by a factor of two.

Aggressive imperialist circles and above all the Americans have continued to exacerbate the international situation, and are trying by means of various kinds of "sanctions" and blockades to check the development of the economy of the socialist countries, and to disrupt their unity. Thus it is understandable that the determination of the states in the commonwealth to further strengthen their solidarity and develop and intensify all-round mutual cooperation is taking on special significance today. Unity of action of the fraternal nations is the most powerful, and the most reliable weapon of socialism.

Combining their efforts and resources, relying on helping one another, the majority of the CEMA member states have in the latest period successfully overcome the external and internal difficulties which arose and have created stable preconditions for further socio-economic development. As is well-known, last year in many of the fraternal nations, growth rates were set which noticeably surpass the results of the first years of the five-year plan. For example, the national income produced in 1983, as compared with 1982, increased by 3.8 per cent for the CEMA nations as a whole; production

of industrial products, by 4.2 per cent; and agricultural products, by about 3 per cent. Steady economic growth has provided a further increase in the standard of living: real per capita income has risen by two per cent.

This positive trend is also continuing in the current year. Having launched massive competition in honor of memorable anniversary of the birth of our socialist states and the 40th Anniversary of the Victory over German fascism and Japanese militarism, the workers of the fraternal nations have achieved weighty results in economic construction. Industrial workers in the GDR, for example, have in the past three quarters of the current year increased production of commodity output by 4.3 per cent as compared with the same period last year; at the same time labor productivity grew by 7.6 per cent, and the national income by 5.2 per cent. Hungarian industrial workers have taken a new step forward, having increased over the nine-month period production volume by 3 per cent as opposed to the 1.5-2.0 stipulated by the plan. Czechoslovakian farmers have achieved excellent results. This year for the first time in the nation's history more than 12 million tons of grain was harvested. The average productivity of the grain crops reached 47 cwt per hectare. In the Polish People's Republic, rates of industrial production are growing. The volume of production realized for the past three quarters was 5.3 per cent higher than for the same period last year. And the economies of Bulgaria, Romania, Cuba, Mongolia and Viet Nam are developing along an ascending curve.

The results achieved are a good basis for making new and higher gains. Following the unified strategic course laid out by the Moscow Economic Conference for further deepening and perfecting cooperation, the fraternal nations of the commonwealth will accelerate their socio-economic development from year to year, and will increase the might of world socialism.

9006

CSO: 1825/18

FURTHER COORDINATION OF CEMA STATISTICAL INDICES FORESEEN

Moscow VESTNIK STATISTIKI in Russian No 8, 1984 (signed to press 18 Jul 84)  
pp 3-5

[Article: "Effectiveness of the Cooperation of Fraternal Countries"]

[Text] "...The main thing is that the vital necessity and effectiveness of our comprehensive economic ties has been confirmed convincingly."

From the speech of Comrade K.U. Chernenko at the Kremlin reception in honor of the participants in the high-level Economic Conference of CEMA member countries held the 12th through the 14th of June 1984.

For more than three and a half decades now, the community of fraternal states has been in existence and has developed fruitfully. This community is a clear model of the new and heretofore unprecedented relations between countries, relations based upon the principles of socialist internationalism, full equality of rights, respect for state sovereignty, mutual advantage and comradely mutual aid.

The world socialist system is the leading revolutionary force of today, with more and more influence on the entire course of international events.

CEMA is now composed of 10 nations. Their population amounts to about one-tenth of the population of the planet. But these countries account for one-third of world industrial production, one-fourth of national income and one-fifth of agricultural output.

The strength of their community is in the unity and cohesion of all of the states comprised in it. The communist and worker parties of the CEMA member countries, true to the Leninist ideas of the international unity of socialist nations, are constantly showing concern about strengthening interaction and about a comprehensive intensification of ties between fraternal countries.

A graphic confirmation of this was the Economic Conference of CEMA member countries, which took place in Moscow in a constructive, business-like atmosphere. The conference at the highest party and state level again convincingly

showed the unity of evaluations and views of CEMA member countries on the main issues, and it expressed the collective will to continue to strengthen the unity and cohesion of the fraternal parties and states of the socialist community and to make even more effective their interaction in the struggle for peace and social progress.

Participating in the work of the conference were delegations from Bulgaria, Hungary, Vietnam, the GDR, Cuba, Mongolia, Poland, Romania, the USSR and the CSSR.

It was up to the conference to summarize the rich and varied experience in cooperation accumulated in the period since the last such conference in 1969 and after the adoption in 1971 of the Complex Program for Socialist Economic Integration.

The unanimously approved and signed "Declaration on the Basic Directions in the Further Development and Intensification of the Economic and Scientific-Technical Cooperation of the CEMA Member Countries," stresses: "The experience and practice of CEMA member countries convincingly demonstrates socialism's characteristic and fundamental advantages over capitalism, such advantages as social and national equality of rights, systematic development of the economy, the ideological cohesion of the society, confidence in the future, continual concern for the person and comprehensive development of the personality. On this basis, the socialist way of life is enriched, the political system of socialism develops, socialist democracy is improved, and people are in fact guaranteed the widest range of rights and freedoms."

Having noted the urgency of the Complex Program for the further intensification and improvement of cooperation and the development of integration and long-term multilateral and bilateral cooperative programs, the Economic Conference determined far into the future the most important directions for the interrelationships of our states and for further intensification of socialist integration.

The leaders of the fraternal parties and governments agreed to entrust the planning and economic organs of their countries--in working out national economic plans for the current five-year plan and in coordinating the annual statements on the commodity turnover--with seeking possibilities for expanding trade between CEMA member countries on a mutually advantageous basis. The countries participating in the conference agreed to work out collectively ways to solve important national economic problems of mutual interest, including accelerating the intensification of the economy and increasing its efficiency by improving the structure of public production, saving physical and manpower resources, better use of fixed capital and the scientific-technical potential, and a further increase in public production as the bases for strengthening the material-technical base and raising the well-being of the people. Agreement was reached on the joint development of a complex program for scientific-technical progress over 15 to 20 years. The resolution of the economic tasks in each country must be organically linked to the development of the entire community of CEMA member countries, and the democratic methods of integration placed at the foundation of socialism are a reliable guarantee for this.

It was considered expedient to take a new step in intensifying coordination between CEMA member countries in areas involving cooperation, that is, the development on a collective basis of ways to solve important economic problems of mutual interest. It is still necessary to attain more coordination of national economic plans, coordination above all of the basic directions in the specialization of countries in the international socialist division of labor.

The broad development of production cooperation and the establishment of direct ties between associations, enterprises and organizations are an important direction in improving the economic mechanism of cooperation and in increasing its effectiveness.

The necessity of strengthening the bonds between socialist states is also dictated by the international situation, which has become seriously more complicated in recent years as a result of U.S. imperialism. The participants in the Economic Conference of CEMA member countries adopted the declaration "Preservation of Peace and International Economic Cooperation," in which it is pointed out that these countries "...consider it their duty to draw the attention of the peoples of the world and the governments to the necessity of carrying out urgent measures to ensure the normal development of international political and economic relations in the name of the consolidation of peace on the planet and of the progress of mankind."

Much fruitful work is being performed by the statistical organs of CEMA member countries and its Permanent Commission in cooperation in the area of statistics.

The differences that have come about in CEMA member countries in the level of development of productive forces, in the structure of the national economies, and also in the organization and planning of production have created certain difficulties in the work of standardizing statistical indicators and their methodology. In the first years of the work of CEMA, the task of statisticians was to establish the foundation for a common statistical language providing for a single interpretation of information coming in from CEMA member countries.

As early as that period, important recommendations were agreed upon and adopted for standardizing the statistical indicators of foreign trade, industrial output, agricultural production, capital construction, and population, which the countries utilized in making improvements in their national statistics and ensuring the comparability of statistical data presented by CEMA organs. An important role at this stage was played by conferences of the heads of the central statistical organs of CEMA member countries and conferences of provisional working groups of statistical specialists who prepared the indicated recommendations.

The more and more in-depth coordination of the national economic plans of socialist countries presupposes a unity of basic methodological principles for developing the plan indicators and the corresponding statistical reporting, and it also presupposes ensuring the comparability of these indicators on this basis.

In June of this year, the collegium of the USSR TsSU [Central Statistical Administration] approved the proposals of the USSR TsSU for the draft of the work



plan of the Permanent Commission for cooperation in the area of statistics in 1985 and 1986.

For these 2 years alone, the draft plan foresees working out questions relating to the commission's assistance in cooperation in the area of statistics of CEMA member countries and its organs in putting into effect the Complex Program and the Long-Term Special Program for cooperation and it provides for the preparation of recommendations for the standardization of statistical indicators and their methodology. Much attention is paid to the problems of international comparisons of the most important value indicators for the development of the national economies of CEMA member countries and Yugoslavia.

Systems of indicators for the economic efficiency of public production in CEMA member countries and for the statistical study of the agroindustrial complex at the national economic level will be improved. For the purpose of increasing the classification of the sectors of the national economy of CEMA member countries, it is planned to develop "collective" groupings of the types agroindustrial complex, domestic services, water resources and others that are essential for raising the comparability of statistical data and for the more profound analysis of the national economic complexes.

Included in the draft plan for the work of the commission are subjects related to the further improvement in the statistics of foreign trade, social statistics, and statistics on natural resources and the environment.

Cooperation is foreseen in developing an automated system for processing statistical information both as a whole for the national economy and for individual territorial units. Methodological materials will be prepared for improving planning, accounting and the operational administration of the computer network for the purposes of making efficient use of the resources of the computer centers and of raising the quality and operational efficiency in the collection and processing of statistical information.

The draft plan also outlines work in analyzing the process of bringing together and leveling out the levels of economic development, structural changes in the national economy, the standard of living of the population, etc.

The implementation of this and much other work in the area of statistics will be the contribution of statisticians to the successful realization of the tasks set by the Economic Conference.

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USSR-CEMA TRADE

CEMA COOPERATION IN NONFERROUS METALLURGY

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/Survey by Ye. Pompa: "Cooperation of CEMA Countries in the Field of Nonferrous Metallurgy"

/Text/ In the process of intensification of socialist economic integration the countries of the socialist camp strengthen their mutual cooperation for the purpose of promoting, as pointed out in the Overall Program for the Further Intensification and Improvement of Cooperation and Development of Socialist Economic Integration of CEMA Member Countries, the "satisfaction of the growing needs of the national economy of these countries for a long-term period for fuel, energy and raw materials... basically, as a result of the production and efficient utilization of the resources of CEMA member countries..." Multilateral cooperation of socialist states in the sphere of production organization and mutually beneficial exchange of the output of material producing sectors on the basis of utilization of the advantages of international division of labor is one of the important factors in a successful solution of the raw material problem. The statement on the basic directions in the further development and intensification of economic and scientific-technical cooperation among CEMA member countries adopted at the high-level economic conference of CEMA member countries notes the following: "...By mobilizing internal resources and strengthening mutual cooperation it is possible to ensure the solution of the raw material and fuel-power problem by all CEMA member countries."

The production of nonferrous metals occupies a prominent place in modern national economic complexes of CEMA member countries. Nonferrous metallurgy makes a significant contribution to the formation of the national income and, on the average, more than 2 percent of the industrial and production personnel of fraternal countries are employed at its enterprises.<sup>1</sup> The sector's output is widely used in motor vehicle building, radio engineering, construction, electronics, production of airplanes, ships and chemical goods and so forth.

Meanwhile, the fullest satisfaction of the needs of socialist states for nonferrous metals is a very complex task. This is due primarily to the high rates of development of their economy and the dynamic expansion of the needs for this raw material and, hence, to the need for a constant buildup in the capacities of the extractive and metallurgical industry. Under conditions when mined nonferrous metal ores become increasingly "poorer" and the mining and geological conditions of their extraction, more complex, an increase in the rates of nonferrous metal output requires a significant rise in the expenditure of material and labor resources.

As is well known, natural-geological and technical-economic factors determining the scale of drawing deposits into the economic turnover are the most important conditions for the development of the raw material base of a specific sector. In different countries the combination of these factors is not the same. Some of them have vast ore deposits, while others, considerable experience in the area of utilization of scientific and technical achievements in the mining of "poor" deposits. Furthermore, there are significant differences in the possibilities of providing financial and labor resources for such capital and labor intensive sectors as mining and nonferrous metallurgy. Under these conditions the organization of cooperation among socialist countries in the field under consideration, which makes it possible to expand their combined production and investment possibilities, acquires decisive importance. The interaction of socialist countries for the benefit of each of the participating parties is now an effective factor in developing production and meeting their needs for nonferrous metals.

Taking into consideration the great importance of nonferrous metallurgy, at the first stages of their economic cooperation CEMA countries included it among the objects of mutually beneficial multilateral interstate regulation.

In accordance with the decision adopted by the seventh CEMA session the CEMA Permanent Commission on Cooperation in the Field of Nonferrous Metallurgy (PK tsvetmet) was established in 1956. Delegations of the People's Republic of Bulgaria, the Hungarian People's Republic, the Socialist Republic of Romania, the GDR, the Polish People's Republic, the USSR and the CSSR formed part of the commission. Since 1972 the Republic of Cuba and the Mongolian People's Republic have actively participated in PK tsvetmet and since 1979, the Socialist Republic of Vietnam. Since 1964 the delegation of the Socialist Federal Republic of Yugoslavia has participated in the commission's work on problems of mutual interest.

The commission's main task was defined as helping CEMA member countries in the development of economic and scientific-technical cooperation on the basis of a systematic implementation of international socialist division of labor.<sup>2</sup> Following the statute on the commission and the decisions of the session of the CEMA Council and Executive Committee, PK tsvetmet determined the priority directions in its activity, proceeding from the tasks of the overall program and long-term goal-oriented cooperation programs (DTsPS). The commission concentrated its efforts on the organization of cooperation in specific matters, whose solution would contribute to a fuller satisfaction of the needs of CEMA countries for nonferrous metals.

The commission promoted the successful development of nonferrous metallurgy in CEMA member countries by means of the following: coordination of five-year plans for the development of nonferrous metallurgy of CEMA member countries; realization of measures envisaged by the overall program and DTsPS in the field of energy, fuel and raw materials, as well as in the field of machine building and the production of industrial consumer goods pertaining to nonferrous metallurgy; implementation of cooperation in the specialization of the production of semifinished products made from nonferrous metals and high-purity semiconductor materials with special physical properties, organization

of cooperation between CEMA member countries and the Socialist Federal Republic of Yugoslavia in the use of free production capacities and in the exchange of the output of nonferrous metallurgy; preparation of technical and economic substantiations of the construction of enterprises and reports on the development of the production of nonferrous metals and semifinished products from them; exchange of advanced experience in the extraction and concentration of nonferrous metal ores, metallurgical processing of ores and concentrates of heavy nonferrous metals, metallurgy of secondary metals and alloys, collection and preparation of nonferrous metal scrap and waste and environmental protection; development of unified standards for the output of nonferrous metallurgy as a lever in an improvement in the quality of the latter; expansion of cooperation in the economy, replacement and efficient utilization of nonferrous metals, as well as fuel and energy for their production; intensification of cooperation in the satisfaction of the needs of CEMA member countries for highly productive mining equipment and for the automation of mining-concentration and metallurgical enterprises.

The priority of certain directions in the activity of PK tsvetmet also changed in the field under consideration at specific stages of development of cooperation among socialist countries. For example, the possibilities for the maximum utilization by CEMA member countries of internal raw material resources and improvement in existing and mastering of new technological processes in the production of nonferrous metals with due regard for the automation and modernization of equipment in nonferrous metallurgy were uncovered on the basis of the coordination of national economic plans during the first half of the 1960's. During the second half of the 1960's the commission examined in greater detail problems concerning the further expansion of cooperation aimed at the utilization of existing raw material resources on the basis of mutually beneficial solutions.

During the 1970's PK tsvetmet concentrated its activity mainly on the realization of tasks resulting for nonferrous metallurgy from the overall program and on the development and implementation of DTsPS measures in the part pertaining to nonferrous metallurgy: raising the degree of satisfaction of the needs of CEMA member countries for aluminum, copper, nickel and other nonferrous metals; drawing new types of resources into the economic turnover and overally utilizing raw materials; efficiently utilizing fuel and energy. The commission adopted recommendations and decisions envisaging a fuller provision of the national economy with raw materials, including secondary ones, and implementation of measures for the economy and efficient utilization of nonferrous metals. Special emphasis was placed on a better use of capacities for the output and processing of nonferrous metals and on the conclusion of agreements on the specialization and cooperation of production of nonferrous metallurgical articles, as well as mining equipment.

The development of forecasts of the consumption and production of nonferrous metals was an important aspect of the activity of PK tsvetmet. In accordance with the decree adopted at the 28 meeting of the CEMA session the commission prepared an overall evaluation of the level of provision of CEMA member countries with basic nonferrous metals and made recommendations on the solution of this problem. Taking into consideration the shortage of nonferrous metals not



covered by the countries' mutual deliveries within the CEMA framework, the commission contributed in the maximum possible way to the elimination of the gap between production and the need for these metals. For this purpose work was done on the solution of the appropriate problems included in the overall program and measures for an expansion of the raw material base for the production of copper, aluminum and nickel were developed and included in DTsPS.

The combination of efforts and mutual assistance in the exploration of nonferrous metal reserves and in the construction of ore mining and metallurgical enterprises are some of the basic directions in cooperation among socialist countries in nonferrous metallurgy.

The detection and increase in raw material reserves suitable for development at the present technological level are important conditions for the development of nonferrous metallurgy in socialist countries.<sup>3</sup> In this field CEMA member countries made noticeable advances, greatly increasing their raw material potential in nonferrous metals, including as a result of bilateral and multilateral cooperation. The volumes of geological prospecting work in CEMA member countries are growing continuously. They have increased in an especially significant manner in the Socialist Republic of Romania, the Republic of Cuba, the Socialist Republic of Vietnam and the Mongolian People's Republic, where socialist countries cooperate on the basis of multilateral agreements. A broad program of work on the exploitation of raw material resources and the development of nonferrous metallurgy is realized in these countries. This program is simultaneously directed toward an accelerated development and increase in the efficiency of the economy of these countries and at a gradual approximation of their economic and scientific-technical level with other countries of the socialist camp.

For example, in the Mongolian People's Republic the basic volume of geological prospecting work is carried out with the participation of socialist countries. In the country since 1979 geological prospecting has been carried out at the Saala Tungsten Deposit jointly with the Hungarian People's Republic. Together with the CSSR deposits are inspected in greater detail and the technical and economic substantiation for the expansion of the Modot Tin Mine is worked out. With the participation of the GDR the prospecting of the Tumurtiynobo Zinc Deposit was completed and the Soviet Union provided the technical and economic substantiations for the mine's construction.

A number of joint enterprises with socialist countries operate in the country for the performance of geological prospecting operations and the extraction of nonferrous metals. The Mongolian-Soviet Mongolsovtsvetmet Economic Association established on the basis of an intergovernment agreement for a joint development of fluorite and nonferrous metal deposits has been developing successfully in the Mongolian People's Republic since 1973.<sup>4</sup> An agreement on the establishment of the Bulgarian-Mongolian Mongolbolgarmetal Enterprise for the prospecting and extraction of minerals on the territory of the Mongolian People's Republic was signed in 1979.<sup>5</sup> The joint Mongolian-Czechoslovak Mongolchekhoslovakmetall Enterprise began to operate in the country in 1980 for a similar purpose.<sup>6</sup>



Leaning on mutual assistance, primarily on the part of the Soviet Union, during a comparatively short period CEMA member countries put into operation powerful ore-dressing combines, metallurgical plants and processing enterprises equipped with modern machinery and technology. For example, from the beginning of cooperation within the framework of the CEMA and until the end of the 1970's with USSR assistance 76 nonferrous metallurgical projects have been built in the countries of the socialist camp, which has contributed to a significant increase in the output of copper, aluminum, zinc, lead, tungsten, molybdenum and other nonferrous metals.<sup>7</sup> In the People's Republic of Bulgaria alone enterprises providing 100 percent of the copper and zinc and 85 percent of the lead produced in the country have been built with the technical and economic assistance of the USSR. With Soviet economic and technical assistance 52 percent of the capacities for the output of alumina existing in the country have been established in the Socialist Federal Republic of Yugoslavia.<sup>8</sup>

The following are among the major enterprises built with the assistance of the Soviet Union: in the People's Republic of Bulgaria--the Medet Ore Dressing Combine and the Copper Smelting Enterprise imeni G. Damyanov, as well as lead and zinc smelting plants in Plovdiv and Kurdzhali; in the Hungarian People's Republic--a shop for aluminum processing at the combine in Szekesfehervar; in the Socialist Federal Republic of Yugoslavia--a plant for alumina production in Brac; in the Mongolian People's Republic, one of the largest ore-dressing copper-molybdenum combines in the world--Erdenet. Enterprises for the production of tin, which is an important item of Vietnamese export to socialist countries, have been established in the Socialist Republic of Vietnam with the assistance of the Soviet Union. In Cuba existing nickel plants are being reconstructed with USSR assistance and a new nickel plant of an annual capacity of 30,000 tons of nickel and cobalt is being built in Punta-Gorda. The CSSR, the Polish People's Republic and the People's Republic of Bulgaria also take part in its construction. Owing to the fraternal help of socialist countries, Cuba was able to overcome difficulties in the development of the nickel industry connected with the U.S. blockade of Cuban nickel export.<sup>9</sup>

Mutual assistance of socialist countries in the development of nonferrous metallurgy is diverse and is provided by the specific means at the disposal of states owing to historical, natural or economic conditions. For example, the participation of the People's Republic of Bulgaria in cooperation lies in offering its rich experience in an efficient extraction and processing of "poor" copper ores, refining of blister copper, zinc electroextraction and so forth. The Hungarian People's Republic makes a contribution primarily to the development of the aluminum industry in CEMA countries, in particular the GDR, the Polish People's Republic and the Socialist Republic of Romania. Under the conditions of highly limited internal natural resources the CSSR participates in the development of the extraction and smelting of metals mainly with its credits granted to other CEMA countries.

Of great importance is the construction of joint enterprises on a compensation basis, when the entire or a significant part of the output produced by them is delivered to countries taking part in construction. This contributes to a

rise in the importance of mutual deliveries as a guarantee of a stable arrival of raw materials, metals and semifinished products, as well as a means of ensuring their independence from world market fluctuations. In particular, the Soviet Union for the assistance in the construction of nonferrous metallurgical projects provided by it receives bauxite, alumina, lead, antimony, zinc and rolled copper and brass products from the Socialist Federal Republic of Yugoslavia. On the same basis the GDR receives aluminum, copper, zinc and titanium dioxide from the Socialist Federal Republic of Yugoslavia.<sup>10</sup>

Mutual deliveries play an important and continuously increasing role in the satisfaction of the needs of socialist countries for nonferrous metals. At present the Hungarian People's Republic in aluminum, the People's Republic of Bulgaria in copper, lead and zinc and the Socialist Republic of Romania in bismuth, cadmium, antimony and so forth meet through their own production not only a significant part of their needs, but also act as exporters of nonferrous metals to CEMA member countries. The volume of mutual deliveries made essentially on the basis of long-term agreements grows constantly as production cooperation and specialization develop. For example, long-term trade agreements for the delivery of copper and semifinished products made of copper from the Polish People's Republic to the GDR, the Socialist Republic of Romania and the CSSR in exchange for deliveries of aluminum and semifinished aluminum products from the GDR and the Socialist Republic of Romania and of ferrous metallurgical products equal in value from the CSSR were signed. The role of deliveries from the USSR is especially great in the mutual trade of CEMA countries in nonferrous metals. The USSR accounts for the bulk of these deliveries and, accordingly, for a high economic load. On the whole, as a result of internal production and mutual deliveries, states forming part of the CEMA meet a significant part of their needs for nonferrous metals and one of the major achievements in cooperation among socialist countries in the field of nonferrous metallurgy lies in this.

Cooperation between CEMA member countries and the Socialist Federal Republic of Yugoslavia in the field of utilization of temporarily free production capacities and exchange of nonferrous metallurgical products obtained on this basis also contributes to the solution of problems of the fullest satisfaction of internal demand, including through mutual deliveries.

The increase in the output in CEMA member countries of a broad and constantly expanding list of nonferrous metals and articles made from them occurs on the basis of the establishment of new production capacities fitted with highly efficient modern equipment. Of course, when establishing them, socialist countries try to utilize the advantages of large-scale production making it possible to lower specific expenditures per unit of output. In a number of cases economically justified sizes of capacities cannot be constantly and fully loaded in one country or another for a long time. This is associated with certain difficulties due to the limitation of the internal market and of material and labor resources. At the same time, the problem of fully loading capacities can be and is being successfully solved owing to cooperation among CEMA countries, whose combined market capacity and joint production capabilities are much broader and make it possible to increase flexibility in the utilization of the industrial potential. With due regard for this constant

operational cooperation in the utilization of temporarily free production capacities of CEMA member countries and the Socialist Federal Republic of Yugoslavia aimed at an increase in the production of nonferrous metals and a fuller satisfaction of the needs of socialist states for them has been carried out within the framework of PK tsvetmet since 1966.

Cooperating in this field, countries give each other information on the availability of free capacities, make suggestions on their utilization and conclude appropriate contracts. In 15 years of cooperation (1966-1980) mutual deliveries of nonferrous metallurgical products within the framework of the activity for the utilization of free capacities totaled more than 1 million tons, which made it possible to save about 420 million transferable rubles. Without such an interaction these products would have to be bought in third countries, or two or three additional plants for the processing of nonferrous metals would have to be built in CEMA states.<sup>11</sup>

Cooperation in a mutually beneficial utilization of unloaded capacities is inseparably connected with the constantly intensifying specialization and cooperation in the production of nonferrous metals of CEMA countries. Since 1970 PK tsvetmet has engaged in the organization of cooperation among CEMA member countries in this field. In particular, the "program of work on technological specialization on the basis of international division of labor in the field of production of semifinished products made from nonferrous metals" was approved at the 33rd meeting of the commission (December 1970). In accordance with it in 1971-1972 PK tsvetmet made proposals on the development of technological specialization enabling CEMA countries to diversify the list of imported nonferrous metals (during the establishment of new processing capacities to orient themselves not only toward the import of raw materials, but also of semifinished products for subsequent processing) and on specialization in the production of small-tonnage types of rolled metal products with due regard for the possible construction of shops or production sections for meeting the needs of interested countries.

For the purpose of realizing these proposals, in 1975 the organizations of CEMA countries and the Socialist Federal Republic of Yugoslavia signed an agreement on multilateral international specialization and cooperation in the production of semifinished products from nonferrous metals. According to this agreement socialist countries make deliveries of 24 types of semifinished products from copper, aluminum, nickel, zinc and their alloys. During past years the obligations stipulated in the agreement were overfulfilled. For example, in 1978 mutual deliveries totaled more than 90,000 tons of semifinished products as compared to the planned 84,000 tons. In 1980 CEMA countries should have delivered to each other 102,000 tons, but, in fact, 105,000 tons of specialized products were delivered.<sup>12</sup> The realization of this agreement enabled the interested countries to give up the import of specialized products from capitalist countries connected with big expenditures of freely converted currency, as well as the establishment of new production facilities requiring substantial capital investments. Taking into consideration the efficiency of specialized deliveries, in 1976 the countries that were parties to the agreement signed a protocol on expanding it by another six types of products.

Specialization and cooperation of production in nonferrous metallurgy are directed toward an efficient utilization of the production resources of each individual country. The successful cooperation between the USSR and the Hungarian People's Republic in the field of production of aluminum, which is the most energy intensive as compared with other nonferrous metals, is a graphic example in this respect. Taking into consideration the vast bauxite reserves and the shortage of energy resources in the Hungarian People's Republic, as well as the powerful energy base of the Soviet Union, in 1962 an agreement was signed between the indicated countries, according to which from the Hungarian alumina delivered to the USSR aluminum is produced and sent to Hungarian enterprises. Cooperation within the framework of this agreement is mutually beneficial and the volumes of alumina and aluminum delivered in accordance with it increase steadily. In accordance with the contract on extending the agreement signed in 1983 the Hungarian People's Republic as of 1986 will deliver 530,000 tons of alumina and 5,000 tons of semifinished aluminum products to the USSR and the Soviet Union will export 205,000 tons of primary aluminum to Hungary.<sup>13</sup> As Hungarian specialists note, this agreement makes it possible to plan the long-term development of all the conversions of the aluminum industry and, ultimately, enables the Hungarian People's Republic to reach leading positions in alumina production.

Providing mines, concentrating factories and metallurgical and processing plants with modern highly productive equipment is an important object of specialization and cooperation in socialist countries. In accordance with DTsPS in the field of machine building PK tsvetmet developed a list of such equipment and specifications for it for the purpose of organizing specialized production to meet the needs of CEMA member countries. Agreements on meeting the needs of nonferrous metallurgy for modern machinery and equipment in 28 items are now in effect within the framework of PK tsvetmet. The commission on cooperation in the field of nonferrous metallurgy continues its intensive work on expanding the list of specialized products.

Cooperation in matters of raising the technical level of production of nonferrous metals makes a significant contribution to the development of nonferrous metallurgy in socialist countries. An exchange of experience and multilateral consultations on problems concerning the application of the achievements of scientific and technical progress have firmly entered the practice of business-like cooperation among socialist countries, proving themselves as the "cheapest investment" of significant mutual benefit. Scientific and technical councils were established within the framework of PK tsvetmet in 1973. They organize multilateral cooperation in the performance of scientific research and experimental designing on the basis of two- and five-year plans approved by the commission, hold seminars on problems of development of equipment and technology and help countries in the introduction of advanced achievements into production.

Many examples of successful scientific and technical cooperation can be cited. We will confine ourselves only to the statement that in 1979-1980 studies and individual research stages on 46 subjects were completed and the economic effect from their introduction was as follows: from the extraction of nonferrous metal ores in the People's Republic of Bulgaria--900,000 leva; in the



GDR--990,000 marks; in the USSR--600,000 rubles; in the Socialist Federal Republic of Yugoslavia--2.5 million dinars; from the concentration of nonferrous metal ores in 1979 in the People's Republic of Bulgaria--1.5 million leva; in the Socialist Republic of Romania--6.5 million lei; in the Polish People's Republic--about 10 million zlotys; in the USSR--up to 2.5 million rubles; in the CSSR--more than 600,000 korunas; in the Socialist Federal Republic of Yugoslavia--more than 850,000 dinars; from improved methods of refining and evaluation of the quality of aluminum and aluminum alloys (per ton) in the Hungarian People's Republic--105 forints; in the CSSR--37 korunas; in the USSR--3 rubles; in the GDR--on the whole, 350,000 marks annually.<sup>14</sup>

A form of cooperation, in which each of the partners develops his part of the subject with a constant exchange of study results, has been applied ever more often in the investigations of general problems in recent years. Owing to this, the expenditures of each of the parties are reduced and the total periods of studies are shortened, which makes it possible to obtain the expected effect in a shorter time.

The problems of increase in the efficiency of socialist production on the basis of the advantages of intensive economic development put forward urgent tasks of increasing the degree of utilization of raw materials as a result of the expansion of their secondary processing, as well as more efficiently expending nonferrous metals on the basis of application of the achievements of the scientific and technical revolution. These directions now occupy a prominent place in cooperation among socialist countries in the field of nonferrous metallurgy.

The production of nonferrous metals from secondary raw materials is an important tool of raising the level of satisfaction of the needs of socialist countries for these products, while preserving ore metal deposits and saving production resources. Taking this into consideration, a scientific and technical council for promoting scientific research and experimental designing in the processing of nonferrous metals and secondary metallurgy was established within the framework of PK tsvetmet. Problems concerning the development of cooperation in the area of organization and improvement in the technology of collection and processing of nonferrous metal scrap and waste are within its competence. The scientific and technical council prepared five-year plans for cooperation in the indicated subjects for 1976-1980 and 1981-1985 and developed a long-term forecast of urgent problems of development of secondary production until 1990-2000. As cooperation intensified, the forms of activity of the scientific and technical council became more complicated. Now the coordination of work is ever more broadly supplemented by a more efficient interaction on the basis of the conclusion of contracts for the solution of general problems.

Cooperation in the sphere of development of secondary production already brings perceptible results, contributing to a fuller utilization of the accumulated metal stock. For example, the collection of copper, tin, zinc and aluminum scrap and waste is increasing constantly in the Hungarian People's Republic. In 1981, as compared with 1980, the collection of secondary raw materials of nonferrous metals increased by 15 percent. By 1985 it is to be increased by another 23 percent.<sup>15</sup> The achievements of the GDR, the CSSR and the USSR in this field are significant.



Rationalization of the needs for nonferrous metals by means of the introduction of less material intensive, new types of products is an important potential for increasing the degree of coverage of the demand for them. In CEMA countries this urgent problem is solved on the basis of an overall approach presupposing the utilization of combined scientific and technical capabilities of socialist states, as well as of the price levers of intensification of socialist production. PK tsvetmet, which coordinates efforts and stimulates studies for a decrease in the specific expenditure of nonferrous metals, makes a significant contribution to cooperation in the indicated direction. The efficiency of scientific research and experimental designing in this area is great and is estimated at tens of thousands of tons of nonferrous metals. In the GDR alone in 1982, as a result of the utilization of scientific and technical achievements, the specific expenditure of aluminum was lowered, on the whole, its relative saving totaling 10,000 tons annually.<sup>16</sup>

At CEMA sessions and at meetings of PK tsvetmet much attention is paid to a constant improvement in cooperation in the sphere of acceleration of scientific and technical progress and utilization of its achievements for the solution of the most urgent problems facing nonferrous metallurgy. They include environmental protection, which has become a mandatory condition for scientific and technical progress in the sector.

A scientific and technical council for environmental protection in the regions of operation of nonferrous metallurgical enterprises, dust collection and gas and sewage purification was established under PK tsvetmet in 1973. A total of 35 scientific research and planning institutes, institutions and enterprises of European CEMA countries, as well as of the Socialist Federal Republic of Yugoslavia, take part in it within the framework of the council. The council's nature protection activity is directed toward the solution of the following basic problems: development and introduction of efficient systems and methods of protecting the air basin against contamination with harmful discharge from nonferrous metallurgical enterprises; development of methods of purifying the sewage of plants with the removal of toxic substances and extraction of valuable components; development of equipment and means for the automation and mechanization of dust collecting and gas and sewage purifying processes. Cooperation in this field will expand in the future.

With the improvement in the technical base of nonferrous metallurgy and expansion of the sector's product list a unified standardization of articles produced from nonferrous metals is an important factor in the further intensification of cooperation. The introduction of uniform standards makes it possible not only to improve, but also to unify, the quality of output, which creates possibilities for a fuller and more flexible utilization within the framework of the CEMA of the countries' export potential in the satisfaction of the import demand on the part of states that are partners in cooperation.

The development and introduction of unified standards occupy a prominent place in the commission's work. At the first stage (1962-1975) PK tsvetmet engaged basically in making recommendations on standardization. In all 150 recommendations were developed and approved during this period. The introduction of unified standards encountered objective difficulties due to the differences in the technical level of socialist countries and to a dissimilar

methodological approach to national standards from the point of view of the legislation of CEMA countries. A new stage in cooperation in this field began after the signing of the Convention on the Application of the Standards of the Council for Mutual Economic Assistance by the interested countries in 1974 and the approval of the Statute on the Standard of the Council for Mutual Economic Assistance at the council's 28th session. The indicated documents set fundamentally new tasks for the council's bodies, that is, improvement in the quality of development of CEMA standards on the basis of modern achievements of science and technology, as well as of advanced experience. This contributed to a more efficient and operational introduction of CEMA standards into contractual-legal relations. In 1975-1980 the CEMA Permanent Commission in the Field of Standardization approved about 200 CEMA standards for methods of controlling the quality of metal products. A total of 40 standards for billets and semifinished products from nonferrous metals have been developed and are in effect.<sup>17</sup>

The efficiency of cooperation of CEMA countries in the field of nonferrous metallurgy in the examined basic directions is highly significant. The role of this cooperation and its efficiency will rise as the tasks stemming from the decisions of congresses of communist and workers' parties of CEMA member countries and program documents and materials of the high-level economic conference of CEMA member countries, which outline new goals in economic and social development, including problems of an efficient utilization of the advantages of the international division of labor, are realized.

The diverse and constantly expanding cooperation among CEMA countries in the field of nonferrous metallurgy has created conditions for a dynamic development of the production of nonferrous metals in socialist countries.

Table 1. Indexes of Gross Output of Nonferrous Metallurgy  
(1970=100; for Cuba in 1975=100)

Countries	1975	1980	1981	1982
Hungarian People's Republic	136	157	163	162
GDR	138	169	182	190
Cuba	100	146	227	219
Mongolian People's Republic	172	54-fold	82-fold	109-fold
Polish People's Republic	204	243	204	212
Socialist Republic of Romania	161	213	214	207
CSSR	133	154	154	151

Remark: This and the next table is compiled on the basis of "Statisticheskiy yezhegodnik stran-chlenov Soveta Ekonomicheskoy Vzaimopomoshchi" /Statistical Yearbook of Members of the Council for Mutual Economic Assistance/, 1983.

On the whole, the average annual rates of increase in the production of nonferrous metals in CEMA member countries exceed significantly a similar indicator in developed capitalist states, which has been attained on the basis of big capital investments with an active utilization of the tools of production intensification inherent in the socialist economy.

Table 2. Volume of Capital Investments in Nonferrous Metallurgy  
(1970=100; for Cuba in 1975=100)

Countries	1960	1975	1980	1981	1982
Hungarian People's Republic (forint)	34	64	130	138	118
Cuba (peso)	--	100	1,976	1,941	1,435
Mongolian People's Republic (tugrik)	39	867	2,127	5,582	443
Polish People's Republic (zloty)	20	203	196	113	97
Socialist Republic of Romania (lei)	43	176	236	221	251
CSSR (koruna)	63	57	191	161	155

The stable advances of CEMA member countries in the development of nonferrous metallurgy are especially obvious in a comparison with the indicators of this sector's leading capitalist countries, where crisis symptoms, that is, rise in surplus capacities, their low loading and periodic sharp recessions in production, are manifested vividly. For example, in the United States in the last 20 years the output of blister copper, primary aluminum and lead has declined manyfold. Since the beginning of the past decade the output of zinc in the country has decreased steadily and in 1983 was one-third of that in 1970.

In socialist countries problems connected with the development of nonrenewable natural resources are solved on the basis of conformity to the plan and mutually beneficial multilateral cooperation, whose further intensification is a reliable guarantee of the development of material producing sectors.

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USSR-CEMA TRADE

ENTERPRISE COOPERATION: POLISH PRECISION INSTRUMENT FIRM

Moscow EKONOMICHESKAYA GAZETA in Russian No 45, Nov 84 p 20

/Article by E. Mozheyko, editor of a department of the Polish economic weekly ZYCIE GOSPODARCZE: "Business Contacts Are Expanding"/

/Text/ The high-level economic conference of CEMA member countries has determined that an extensive development of production cooperation and the establishment of direct relations among associations, enterprises and organizations in the fraternal countries of socialism are important directions in the improvement in the economic mechanism of cooperation and increase in its efficiency.

In the process of development of Polish-Soviet economic and scientific-technical cooperation positive experience has been accumulated in this field. In Poland there are dozens of enterprises, which have maintained direct production relations with allied Soviet enterprises and associations for many years. For example, permanent contacts between the Warsaw Precision Instrument Plant imeni Karol Swerczewski with the collective of the Soviet Kalibr Plant have lasted for more than 15 years. The enterprise producing braking equipment in Praszka has close business relations with the producers of trucks at the Kama Motor Vehicle Plant.

Last December the regular meeting of the intergovernment Polish-Soviet commission on economic and scientific-technical cooperation in Warsaw adopted a decision, on the basis of which each side selected 52 enterprises and associations with the right to establish direct relations. Later 11 enterprises were added to this list.

Both sides assigned sectorially allied enterprises having the appropriate conditions for this. On the Polish side a number of leading industrial enterprises were included in this list. The following were among them: the Ursus Tractor Plant, the passenger car plant in Warsaw, the truck plant in Stara-chowice, the marine engine plant imeni Cegelski in Poznań, the Agromet-Bizon agricultural machine plant in Płock, Zamet machinery plants in Stszebnicy and the Warszawa Metallurgical Plant and the Metallurgical Plant imeni V. I. Lenin in Cracow. This list, which is by no means complete, shows that machine building enterprises play a paramount role in the development of direct relations. This is understandable: The machine building industry most actively participates in specialization and cooperation with Soviet enterprises.



The firm relations with their partners in the USSR enable Polish enterprises to develop long-term production programs. As noted at the recently held meeting of the representatives of Polish enterprises, which have established direct relations with Soviet enterprises, many initiatives of labor collectives have already been or are being realized. They encompass cooperation in the solution of production and technical problems and in the joint development of new technologies, which makes it possible not to depend on import from capitalist countries, and include the intensification of production cooperation and specialization, as well as the exchange of practical experience of party and other organizations.

The long-term program for the development of economic and scientific-technical cooperation between Poland and the Soviet Union for the period until the year 2000 signed in May of this year envisages the further intensification of specialization and cooperation in production, combination of efforts in the field of science and technology and development of direct relations among associations, enterprises and other economic organizations in both countries.

By now Poland's metallurgical and machine building enterprises have already signed more than 10 cooperation agreements with their Soviet partners. These agreements encompass all the areas of production life, including the exchange of advanced experience. As a rule, agreements are concluded for a 2-year period.

For example, an agreement was concluded between the Polish Zamet Association and its Soviet partner--the Association for Adjustage and Precision Rolled Metal Equipment (the city of Kramatorsk). It encompasses problems of production planning, exchange of experience in the brigade organization of labor and scientific and technical cooperation, including the introduction of computer hardware. Provision is made for mutual familiarization with achievements in the area of overall product quality control. The parties will exchange methods of programming machine tools with numerical program control and the technology of production of gear cutting machines and brake system units. Meetings between specialists of Polish and Soviet enterprises are envisaged.

An agreement was reached between Zamet and the Kommunist Mining Equipment Plant (the city of Krivoy Rog) on the performance of work on the joint development of technical documents on the running gear of mine drilling installations and their delivery based on cooperation from the Polish People's Republic to the Soviet Union. A total of 180 running gear of mine drilling installations are to be delivered during 1986-1990. Thus, from the first steps the direct contacts between Zamet and its Soviet partner have produced concrete results.

According to the agreement between the Ursus Plant and the Minsk Tractor Plant the parties undertook to give each other on a mutual basis new production and technical solutions, to help their introduction into production, to cooperate in the training of specialists and to exchange experience accumulated during the period of operation of jointly developed technological processes.

In the course of direct contacts with their Soviet partners representatives of Polish labor collectives can learn a great deal from their Soviet colleagues in the matter of organization of social security. The experience in party and trade-union work at enterprises is also valuable for us.

The realization of agreements on direct relations also raises a number of problems, which can be solved in the very near future. For example, in the opinion of Polish enterprises possibilities of accelerating the realization of contracts for mutual commodity deliveries stemming from agreements should be found.

Clubs for economic cooperation with the Soviet Union operating under the patronage of the Polish Chamber of Foreign Trade in various regions in our country on a voluntary basis manifest a great deal of initiative in the establishment and development of direct relations between Polish and Soviet enterprises. Not long ago these clubs organized trips by several groups of specialists from various sectors of the Polish economy to the USSR. They visited a number of industrial centers and became acquainted with the possibilities of increasing export and with the requirements and needs of potential Soviet consumers.

The addresses of a close interaction of enterprises in Poland and the Soviet Union have been determined. To be sure, the development of such an interaction will make a significant contribution to the further intensification of multilateral cooperation between our countries.

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TRADE WITH LDC'S

KOROVIKOV ON CEMA TIES WITH INDIA

Moscow PRAVDA in Russian 25 Oct 84 p 5

[Report from Delhi by Valentin Korovikov: "Valuable Cooperation"]

[Text] The fruitful cooperation with the CEMA nations is a significant factor in the economic development of India. As early as the 1950's they selflessly extended the hand of friendship to India. The socialist states have played and continue to play a large role in strengthening her national economy, and in further strengthening her political independence.

This cooperation is continuously growing stronger. The fruits of Soviet-Indian cooperation are widely known. It has truly helped India to become an industrial power, and has helped ensure progress in the development of science and technology. Along with the Soviet Union, India's principal partner, all CEMA members have made mutually-advantageous contacts with her in many spheres. Recently a great number of delegations from socialist countries have visited Delhi, new agreements have been concluded, and the prospects for further cooperation have been outlined.

The seventh session of the joint Indian-Bulgarian commission on economic, scientific and technical cooperation recently completed its work. It was decided to undertake joint construction of major chemical enterprises; to expand the volume of trade; and to engage in scientific research in the area of electronics, biology and pharmaceuticals, and in various sectors of agriculture, as well as in the food and light industries.

The volume of trade between Czechoslovakia and India is growing rapidly. In 1984 alone the goods turnover will grow by 26 per cent and will reach one billion, 700 million rupees. Czechoslovakia receives mica and manganese ore, hides, fabrics, tobacco and foodstuffs. India in turn receives quality steel, pipes, textile and printing machinery. A trade agreement for 1985-1989 was recently signed in Prague.

India is carrying on trade with the GDR, Poland and Romania on a long-term basis. The goods turnover between India and the GDR has grown more than thirty-fold since 1954. The total value of the goods traded between Romania and India will amount to more than 3.5 billion rupees this year. Trade with

Poland is at approximately the same volume. India's ties with Hungary are diverse. The cooperation in the area of telecommunications, electronics, medicine and nonferrous metallurgy is especially important. Mongolian and Indian specialists on medicinal herbs and traditional medicine are carrying out joint research.

Cooperation with the CEMA nations, as the Indian press notes, helps India to plan more rationally for the development of the economy and foreign trade, to utilize national resources more effectively, to carry out branch specialization, to introduce new technology, and to strengthen her defenses. The traditional friendship of India and the nations of the socialist commonwealth is growing and becoming stronger.

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TRADE WITH LDC'S

TECHNICAL ASSISTANCE TO PDRY

Moscow SEL'SKAYA ZHIZN' in Russian 25 Oct 84 p 3

[Report by Vyacheslav Anchikov: "USSR-PDRY: Fruitful Cooperation"]

[Text] Five years have passed since the signing of the Treaty of Friendship and Cooperation between the Soviet Union and the People's Democratic Republic of Yemen. Concluding the treaty on 25 October 1979, the USSR and PDRY declared their determination to steadfastly develop political relations and all-round cooperation on the basis of equal rights, respect for national sovereignty, territorial integrity and non-interference in one another's internal affairs.

The signing of the treaty was the logical development of the friendly relations which had existed between our countries, which are united in the common struggle against the intrigues of imperialism, reaction and their accomplices; and for peace and social progress. The multilateral economic cooperation between the two countries is vivid testimony to the successful implementation of the principles and articles of the treaty. More than 50 national economic projects have been completed in Democratic Yemen with the economic and technical assistance of the USSR. "Buildings of Friendship" is what they call the projects constructed in the PDRY jointly by Soviet and Yemeni specialists. In conditions of the severe shortage of water resources, the thermal electric power station (TES) built near Aden is very important. It is one of the largest TES's not only in the PDRY, but on the entire Arabian Peninsula as well. Putting it into operation increases the country's electric power capacity almost twofold. In this very same area, construction of a water distillation complex is nearing completion; this complex will provide 28,000 cubic meters of fresh water per day. With the assistance of the Soviet Union, nine intake dams have been built in the PDRY, and nearly 100 km of canals have been dug, which will permit irrigating 7,000 hectares of land.

The friendly relations and mutually-advantageous cooperation between the USSR and PDRY will be steadfastly developed in the future as well. This was declared once again at the early October meeting in Moscow between CPSU General Secretary, Chairman of the Presidium of the USSR Supreme Soviet, K.U. Chernenko and Yemeni Chief of State A.N. Muhammad.

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